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THE FOREST & WOOD PRODUCTS INSTITUTE

The Forest & Wood Products Institute
Robert D. Wetmore Center for Innovation in
Design, Technology, and Resource Development

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Howard Bernstein RPS Program Manager Massachusetts Division of Energy Resources 100 Cambridge Street, Suite 1020 Boston, MA 02114

Dear Howard,

We would like to take this opportunity to comment on the Massachusetts Division of Energy Resources (DOER) and the Department of Environmental Protection (DEP) initiation of an Inquiry regarding proposed revisions of the Renewable Energy Portfolio Standard (RPS) regulations.

It is encouraging to witness two state agencies working together towards a common goal. We understand that some of the issues addressed in the Inquiry are under the purview of the DEP, and thus their involvement. We'd like to point out that there are other equally important state agencies and possibly the Office of the Governor and the Massachusetts General Court that should be involved in this process, and there are potential unintended consequences associated with any changes to current regulations that both the DOER and DEP should consider. We would ask you to consider the long term economic health of our state and the sustainability of our forests.

Governor Romney has recently created programs and incentives to help retain or expand jobs within the Commonwealth. Two such programs include the Job Incentive Program that offers tax credits for the development of certain manufacturing jobs within the state. While this tax rebate is in a pilot mode, he has decided to expand it and make it permanent. Another component of the Governor's jobs package includes proactively selling the Commonwealth's competitive incentives to employers looking to relocate, expand or sustain jobs in the Commonwealth.

We would also like to remind you that the Massachusetts Office of Economic Development has developed nine Sustainable Development Principles. Two of these principles are directly related to your Notice and should be taken under consideration as you move forward. They include 'increasing job opportunities' by supporting the growth of new and existing local businesses, and to 'foster sustainable businesses' by strengthening sustainable natural resource-based businesses, and to support economic development in industry clusters consistent with regional and local character.

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Also, please consider how proposed changes may not be consistent with the State's Climate Protection Plan. This plan has identified action steps to reduce the Greenhouse Gas emissions within our state. It is imperative that any changes initiated by the Notice be consistent and support our Greenhouse Gas emissions within the Commonwealth.

Currently, the General Court is considering the Economic Investment Act of 2005. In effect, this act will improve the climate for investment by businesses in Massachusetts. Although you may not be under a mandate to do so, any changes to the RPS regulations must support and be consistent with the Commonwealth's efforts to retain or expand jobs and promote long-term economic health in Massachusetts.

We all know that renewable energy and in particular biomass energy has the potential to greatly retain and expand jobs for a localized geographic region. In effect, because of this Inquiry, you are empowered to develop job and business opportunities within our state if your actions consider the broader initiatives and policies currently in place. We would suggest that before changes are enacted, that DOER study the potentially disastrous results of promoting business opportunities outside of Massachusetts and thereby reducing the economic competitiveness of Massachusetts businesses.

In addition, it should be noted that Massachusetts Executive Office of Environmental Affairs and the Department of Resource Conservation has implemented numerous programs to encourage landowners to manage their forestlands in a sustainable manner. An important component of this is the utilization of the low-quality forest products from the forest. Because it is not economically viable to truck this material long distances, we encourage you to consider the health of our forests in your decision making process. Currently, much of this material has no or limited local markets. This current situation does not support forest viability and sustainability, and in effect encourages sprawl through the development of forestland that cannot economically maintain itself.

In conclusion, our intent is to encourage the DOER and DEP not to enact changes in a vacuum. There are definite unintended consequences to whatever changes are implemented. You must consider and support the Governor, other state agencies, and the General Court in their attempt to keep Massachusetts competitive and our forests healthy and productive while at the same time, developing renewable energy generation for the benefit of the citizens of Massachusetts. While we believe that changes to the RPS are needed, somehow, Massachusetts should come first in whatever changes you may make.

Sincerely,

Senator Robert D. Wetmore (Retired)

Chairman, Forest & Wood Products Institute

Mount Wachusett Community College

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cc: Sen. S. Brewer Rep. A. Gobi